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Dems: Bush Budget Would Worsen Deficit

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WASHINGTON -- Democrats are attacking President Bush's budget for worsening the already bleak deficit picture, even as a new congressional analysis of his fiscal plans shows no end in sight for huge amounts of red ink.

A report Friday by the nonpartisan Congressional Budget Office said under Bush's budget, federal deficits over the next 10 years would get no lower than a projected \$229 billion in 2010. It excluded the potential costs of Bush's plan to revamp Social Security, any costs for wars in Iraq and Afghanistan after this year, and other possible expenses.

The CBO also raised new questions about the president's ability to meet his goal of halving federal deficits by 2009.

The report projected a deficit that year of \$246 billion. That would meet Bush's target of halving the \$521 billion shortfall he projected for last year -- a figure that ended up being \$109 billion too high. But it would not be close to cutting last year's actual, record \$412 billion deficit in half.

Rep. John Spratt of South Carolina, top Democrat on the House Budget Committee, said the report's "deficits paint a dismal picture, which the president's budget only makes worse."

The new figures were released days before the House and Senate Budget committees plan to write their own spending plans for the coming year.

The panels' chairmen, Rep. Jim Nussle, R-Iowa, and Sen. Judd Gregg, R-N.H., have been hunting for GOP support for packages following Bush's proposals to restrain spending and halve deficits.

Friday's figures helped highlight the longer-term budget problems that lie ahead as the 78-million-strong baby boom generation starts retiring later this decade and drawing on already costly programs like Social Security and Medicare.

On Wednesday, Federal Reserve Chairman Alan Greenspan told Congress that federal deficits had become "unsustainable" and urged lawmakers to act quickly to stanch the red ink.

"In the near-term we're doing exactly what we should be doing -- bringing the deficit down steadily," said Noam Neusner, spokesman for the White House's Office of Management and Budget. "As we do that, we will also turn our attention to the long-term deficit challenge."

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The CBO report said Bush's budget would yield deficits totaling \$2.58 trillion during the 10-year period ending in 2015. That is \$1.6 trillion higher than they would be if none of the president's fiscal plans become law, it said, the chief factor being his intention to make already enacted tax cuts permanent.

The congressional report said cumulative deficits over the next decade will be \$125 billion worse than it estimated only in January. That is largely because it has added \$70 billion to its projected 10-year costs of Medicare spending, about 1 percent more, including \$54 billion more for the costs of prescription drug coverage.

Bush's budget projected figures only for the next five years. He projected deficits through 2010 totaling nearly \$1.34 trillion -- \$57 billion less than the CBO estimated.

It also projected that Bush's fiscal plans would yield deficits of \$394 billion this year and \$332 billion in 2006.

That was lower than the \$427 billion and \$390 billion shortfalls the White House has projected for those years.

The CBO noted, however, that keeping next year's military operations at current levels would probably add about \$40 billion to the 2006 deficit, pushing it to perhaps \$375 billion.

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